

Organizational Factors – Service Line Volume & Market Position

ILLUSTRATIVE

Factors	Interventions
<ul style="list-style-type: none"> • Service line availability • Volume / occupancy levels • Access <ul style="list-style-type: none"> → MD Supply → Open vs. closed practices → Time-to-appointment → Scheduling practices → Critical service throughput (ER, ICU, Med-Surg Beds) • Relative market share 	<ul style="list-style-type: none"> • Launch new service • Recruit new physicians <ul style="list-style-type: none"> → Direct employment → Recruiting assistance for community groups • Referral source development • Change scheduling practices to improve access <ul style="list-style-type: none"> → Same day appointments → Central scheduling • Triage urgent care out of ER • Improve bed turnover • Add ICU / Med-Surg capacity
Enablers	Constraints
<ul style="list-style-type: none"> • Market service gaps • Strong demand • Fragmented competitors • Dynamic physician market 	<ul style="list-style-type: none"> • New service start-up costs • Dominant competitors • Physician supply/practice economics • Recruiting/credentialing delays for new physicians • Physical space constraints

Organizational Factors – Revenue Cycle Management

ILLUSTRATIVE

Factors	Interventions
<ul style="list-style-type: none"> ● Payor mix ● Health plan rate structure ● Health plan price performance (net revenue per case / volume relationships) ● Contract performance (denials, timeliness of payments) ● Accounts receivable management efficiency ● Uncompensated care 	<ul style="list-style-type: none"> ● Adjust service mix / geography to target more attractive payors ● Rationalize price / volume relationships ● Confront / cancel poor performing contracts ● Improve billing efficiency (registration, documentation, claims submission, account follow-up) ● Sale of assets/divestiture ● A/P and A/R management ● Pursue Medicaid, uncompensated care relief through legislature
Enablers	Constraints
<ul style="list-style-type: none"> ● Service line or geographic indispensability ● Competitive health plan market ● Political allies 	<ul style="list-style-type: none"> ● Service mix/distribution changes take time ● Contract cycles ● Weak market position – limited ability to influence health plans ● Weak political position

Organizational Factors – Resource Utilization

ILLUSTRATIVE

Factors	Interventions
<ul style="list-style-type: none">● Length of stay● Ancillary utilization<ul style="list-style-type: none">➔Laboratory➔Diagnostic imaging➔Pharmacy	<ul style="list-style-type: none">● Employ utilization management to monitor / manage length of stay● Adjust scheduling practices to reduce length of stay● Adopt / monitor use of clinical protocols to discourage inappropriate resource use
Enablers	Constraints
<ul style="list-style-type: none">● Effective clinical leadership	<ul style="list-style-type: none">● Weak clinical leadership● Inadequate house staff coverage / management

Organizational Factors – Labor Management

ILLUSTRATIVE

Factors	Interventions
<ul style="list-style-type: none"> ● Matching staff to census <ul style="list-style-type: none"> ➔ FTE's / adjusted occupied bed ➔ Mix of staff ➔ Overtime ➔ Use of agency ● Staff turnover ● Labor costs <ul style="list-style-type: none"> ➔ Wages ➔ Benefits ➔ Work rules 	<ul style="list-style-type: none"> ● Develop census-based staffing standards by nursing unit; Rigorously manage on daily basis ● Raise authorization levels for overtime use ● Consolidate agency hiring ● Implement recruiting / retention program to maintain full staffing ● Monitor employee satisfaction ● Benchmark wage rates, benefits packages ● Implement cafeteria benefits ● Re-negotiate onerous work rules
Enablers	Constraints
<ul style="list-style-type: none"> ● Strong labor supply ● Effective labor-management relationship 	<ul style="list-style-type: none"> ● Market-wide shortages in key staff positions ● Inefficient nursing unit size / configuration ● Uncooperative labor-management history

Organizational Factors – Supply Chain Management

ILLUSTRATIVE

Factors	Interventions
<ul style="list-style-type: none"> ● Purchasing effectiveness ● Inventory levels ● Loss / waste ● Payables management 	<ul style="list-style-type: none"> ● Ensure appropriate use of buying groups ● Implement supply chain management control systems ● Track supply use at department / unit level ● Enforce formulary ● Develop / enforce standards for key medical supplies to enable consolidated purchasing ● Implement technology review committee ● Control supply / drug sales rep access to staff ● Triage, stretch payables
Enablers	Constraints
<ul style="list-style-type: none"> ● Scale ● Effective clinical management 	<ul style="list-style-type: none"> ● Small scale ● Inadequate information systems ● Weak clinical management